



This report is made of biodegradable recycled paper

双箭股份

DOUBLE ARRO

Zhejiang Double Arrow Rubber Co., Ltd.

1538

Address: No. 1538, Yong'an North Road, Zhouquan Town Industrial Zone, Zhouquan Town, Tongxiang, Zhejiang Province, China

URL <http://www.doublearrow.net/>

Tel 0573-88531999

Fax 0573-88531023

Email: qiguan@doublearrow.net





Report specification
Executive speech
About us
Responsibility management

Performance indicator
Future prospects
Indicator index
Feedback

18

30

40

50

Move in time

Competitive advantages
Self-innovation
Integrity management
· Hot spot • High quality development

Green factory

Save resources
Green manufacturing
Pollution Prevention
· Hot spot • Green development

Create value together

Service shareholder
Affectionate customer
Working together
· Hot spot • Belt and Road

Committed to harmony

People oriented
Safe Production
Community building
· Hot spot • Social security

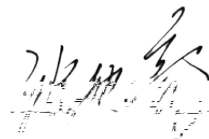
Executive Address

2030



Without poverty, hunger, disease, equal access to quality education, social security and physical and mental health for all person, decent work and full respect for everyone, harmony between human beings and nature, protection of wildlife, air, land, rivers, etc. The world is on a sustainable and resilient path, and most importantly, not to let anyone fall behind! This is the vision set out in the United Nations Sustainable Development Goals.

Chairman of Double Arrow



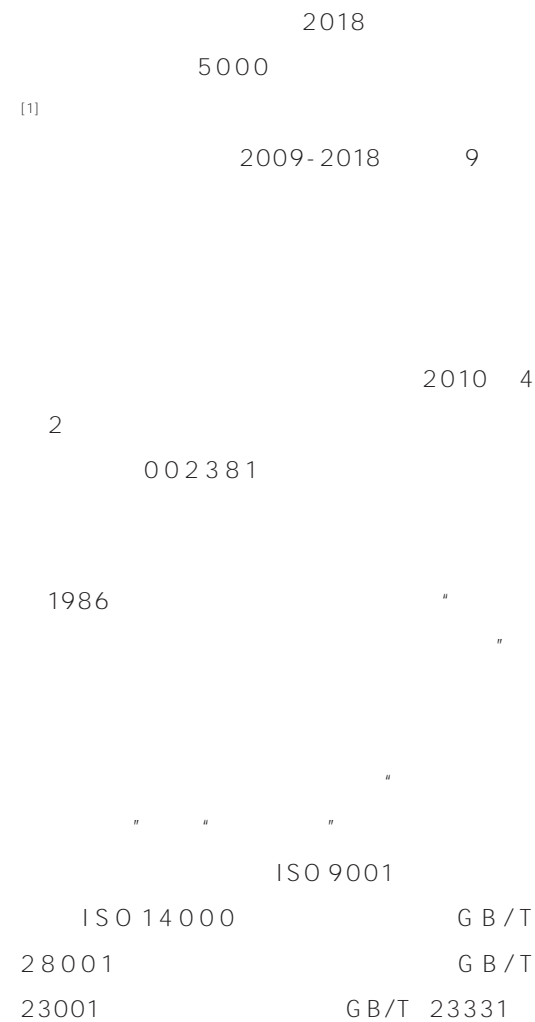
As the leading enterprise of the domestic conveyor belt, Double Arrow shares to "build an international brand, casting a hundred-year enterprise" as the goal to promote the concept of sustainable development into the operation of enterprises. In response to the United Nations 2030 Sustainable Development Strategy, Double Arrow is following the steps of time, pursuing environmental protection and energy saving, creating social value, committing the harmonious social society.

The 19th National Congress of the Communist Party of China has given Chinese enterprises a new mission and new responsibilities. Double Arrow around the "expand main business, promote industrial upgrading" work ideas, with better services and products, more responsible operation to become a new era of new enterprises, to realize a better life for the people. We consciously undertake the responsibility of scientific development, caring for employees, respecting human rights, serving customers, protecting the environment, promoting community and social development, and make unremitting efforts in environmental protection, safeguarding the rights and interests of employees and financing various social welfare activities, which have been widely respected by all sectors of society.

In the future, we will continue to focus on the theme of "development", further pioneering and innovative, forge ahead, stand at a new starting point of development. We will use the capital market service platform to keep integrity management, standardized operation, and people foremost. The development strategy of enterprises contains social responsibility, and strive to practice social responsibility, with better performance to return to all stakeholders.

About us

Company profile



Zhejiang Double Arrow Rubber Co., Ltd. is located in Zhou Quan Town, Tongxiang, Zhejiang province, it's a professional rubber belts manufacture and a high-tech enterprise of national class. The products are widely used in metallurgy, coal, chemical industry, building materials, power, mines, ports and etc. Until to the end of 2018, the company has an annual output of 50 million square meters of production capacity⁽¹⁾, a single plant production capacity ranked first in the world, Global conveyor belt industry comprehensive ranking top three, the domestic rubber conveyor belt industry ranked first for eight years(2009-2018).

Double Arrow is a Rubber Industry National Association Vice president unit and one of the main drafting for industrial & national standards in conveyor belt products. The company was officially listed on the Shenzhen Stock Exchange on April 2, 2010 (stock code: 002381, stock abbreviation: Double Arrow shares).

Since its inception in 1986, the company has always adhered to the innovative concept of "outstanding leading products, the development of high-quality products, strengthen single-product" . Our pipe conveyor belt and energy-saving conveyor belt have independent intellectual property rights in research and development manufacturing, and product performance reached the international advanced level. The " Steel Cord Pipe Conveyor Belt" obtain "Zhejiang manufacturing" international and Domestic dual certification. The company has passed the certifications of ISO9001 Quality Management System, ISO14000 Environmental Management System, GB/T 28001 Occupational Health & Safety Management System, GB/T 23001 Integrated Management System, GB/T 23331 Energy Management System, Measurement Management System and National Standardization Good Behavior Enterprise and other certification, to provide a solid guarantee for conveyor belt industry.



Corporate Culture

Mission	To achieve faster transportation, more economical, more safe, and environmentally friendly
Vision	To build an international brand, to create a centurial enterprise
Core values	People foremost, Technical innovation, Honesty, win-win cooperation
Business philosophy	Innovation develops markets, Quality attracts customers, Integrity strengthens foundation, Mutual benefit promotes development
Spirit	Integrity, Forward-looking, Innovation, Refinement

Responsibility management

Double Arrow and SDGs

SDGs
SDGs

Following the sustainable development concept of "Towards a Better Future", Double Arrow has formulated the sustainable management objectives with a view to achieving the four objectives of "moving in time, green factory, creating value together and striving for harmony". Based on the twelve major directions closely related to the company in SDGs, Double Arrow has launched a series of activities and has made its own contribution to the realization of SDGs.



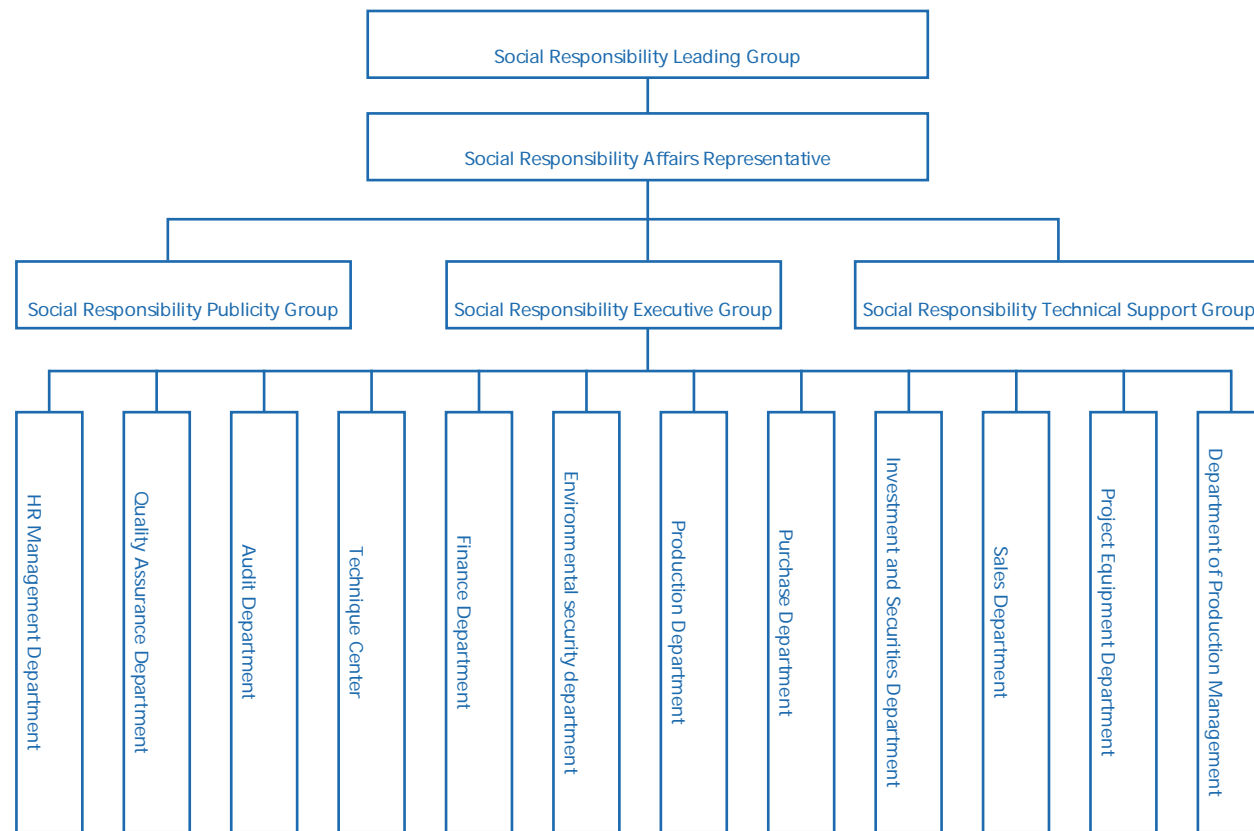
Sustainable business objectives	Twelve major directions	Sustainable development goals
Move in time	Competitive advantages	4 优质教育, 9 产业、创新和基础设施, 16 和平、正义与强大机构
	Innovation	
Green factory	Integrity management	
	Save resources	6 清洁饮水和卫生设施, 7 经济适用的清洁能源, 12 负责任消费和生产, 13 气候行动, 15 陆地生物
	Green manufacturing	
Create value together	Pollution Prevention	
	Service shareholder	9 产业、创新和基础设施, 12 负责任消费和生产, 16 和平、正义与强大机构, 17 促进目标实现的伙伴关系
	Affectionate customer	
Committed to harmony	Working together	
	People oriented	3 良好健康与福祉, 4 优质教育, 5 性别平等, 8 体面工作和经济增长, 10 减少不平等, 11 可持续城市和社区
	Safe Production	
	Community building	

Sustainable Development Strategy

Double Arrow always carry out sustainable business activities in accordance with the four strategic objectives of "moving in time, green factory, creating value together and striving for harmony".

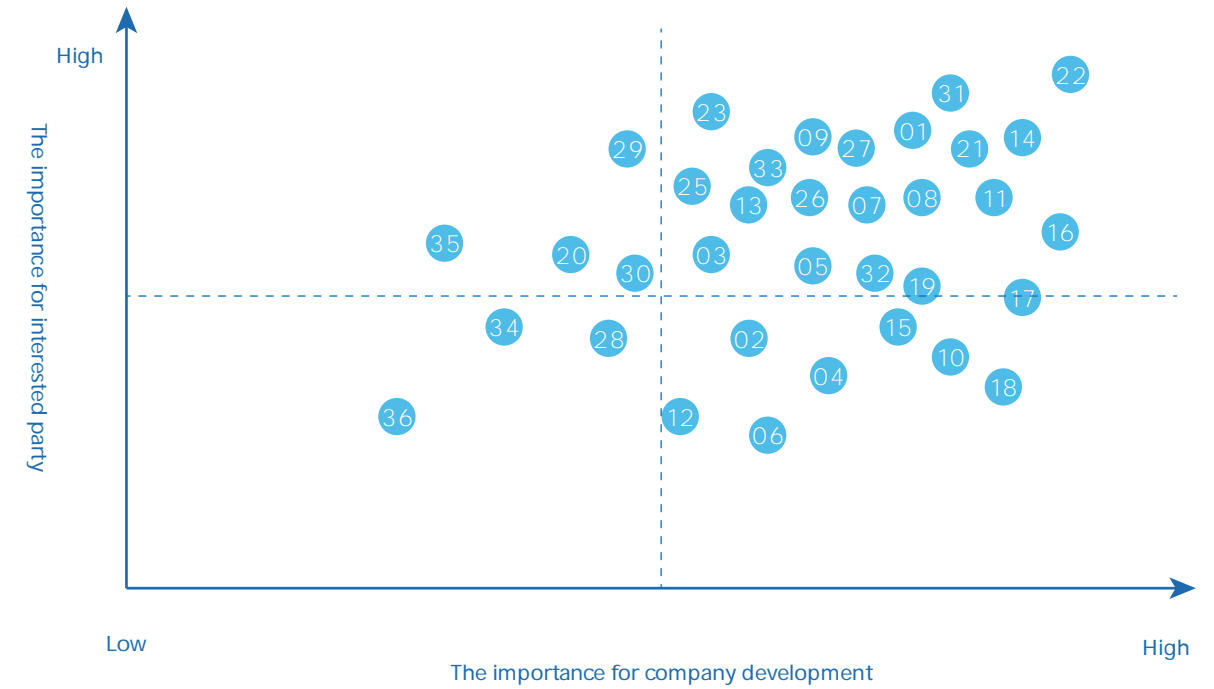
<p>Move in time</p> <p>Creating Growth Opportunities through Sustainable Research, Innovation and Honest Management</p>	<p>Green Factory</p> <p>Minimizing the Environmental Impact and Creating an Environment-Friendly Home</p>
<p>Creating Value Together</p> <p>Establishing Long-term and Fair Partnership with Investors, Customers and Partners</p>	<p>Committed to Harmony</p> <p>Always insist on being a responsible enterprise and strengthen the social responsibility of corporate citizens</p>

Sustainable Development Organization



Substantive issues analysis

In order to enhance the pertinence and responsiveness of the report, Double Arrow investigates and selects the most substantive key issues and draws substantive issues by benchmarking international and domestic social responsibility standards and focusing on issues of concern to stakeholders. The matrix guides the company to carry out social responsibility work with a goal.



01	Steady operation	10	Energy saving	19	Normative governance	28	Employee team
02	Market layout	11	Recycling	20	Information disclosure	29	Protection of rights and interests
03	Industry leading	12	Green office	21	Risk prevention	30	Democratic management
04	System construction	13	Environmentally friendly design	22	Quality control	31	Safety management
05	Platform construction	14	Green product	23	Personalized customization	32	Emergency mechanism
06	Transformation of results	15	Low carbon footprint	24	Customer satisfaction	33	Occupational Health
07	Compliance	16	Atmospheric treatment	25	Strategic cooperation	34	Helping the disabled
08	Anti-corruption	17	Rain and sewage diversion	26	Responsible procurement	35	Respecting the old
09	Pay taxes according to law	18	Solid waste treatment	27	Respect for property rights	36	Volunteer service

Stakeholder communication

Stakeholder comments



联合国可持续发展目标
Sustainable development goals



— —

As the first listed company in the city, Double Arrow has always been gratifying in its business performance. At the same time, Double Arrow is also very enthusiastic about social welfare undertakings, and it is good for the social group while doing good economics.

— — Government of Tongxiang

— —

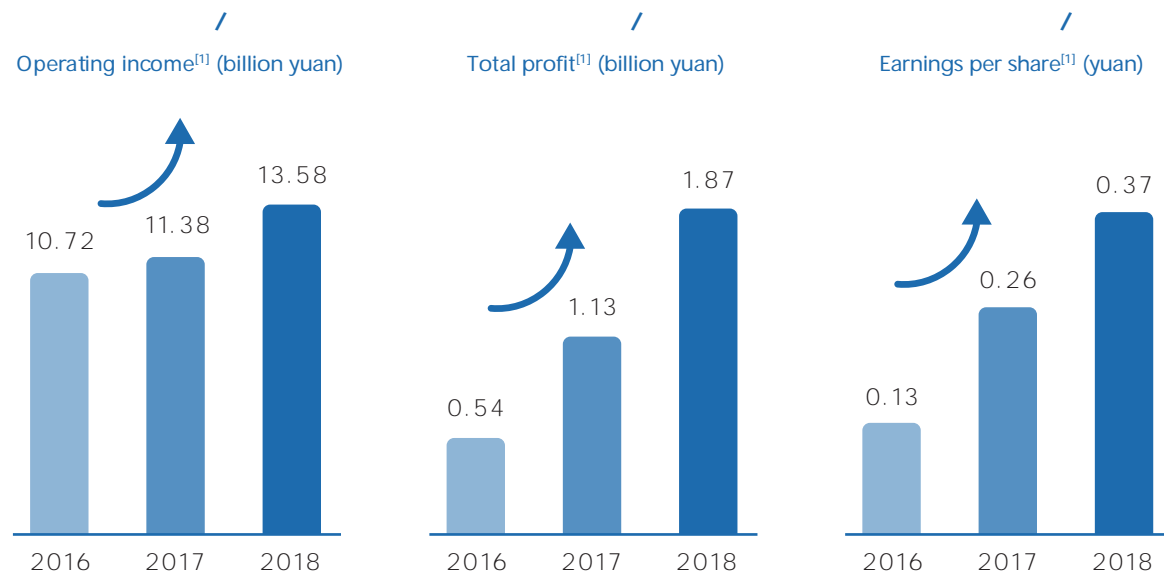
As the vice president unit of the association, Double Arrow has always been a benchmark for the industry and is in the forefront of the industry in the development of standards and the development of new products and markets. At the same time, it is a model to actively invite members of the association to enter the factory to study and visit and accommodate the heart of the river.

— — Rubber Association

Competitive advantages

Steady operation

Double Arrow conforms to the changing trend of the economic environment, relies on the original channels and resource advantages to accelerate transformation and innovation, cultivate sustainable competitiveness of business, find new growth points, and achieve stable operational results.

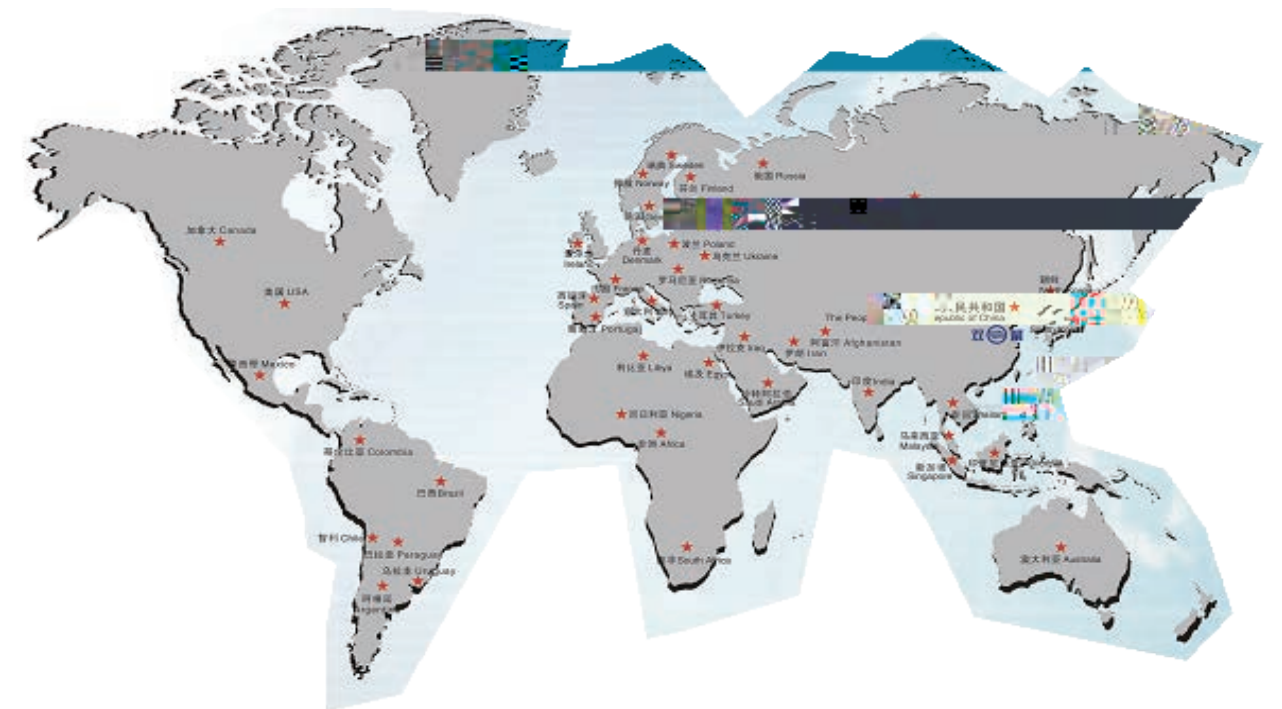


Indicator	2016	2017	2018
^[1] Total assets ^[1] (yuan)	2426294580.25	2074311470.95	2129023768.85
^[1] Net fixed assets ^[1] (yuan)	517698502.54	350330975.39	322306172.12
^[1] % Return on net assets ^[1] (%)	3.36	6.79	9.09
^[1] % Asset-liability ratio ^[1] (%)	26.54	18.24	19.81

Market layout

20

Double Arrow attaches great importance to the global brand promotion of its products, covering more than 20 countries and regions in the world, such as Germany, the United States, Brazil, Spain, Turkey, South Africa and Australia.



Industry leading

Double Arrow has become its "qualified supplier" through the testing and certification of leading enterprises in global industries such as Rio Tinto and BHP Billiton, and has been included in the list of strategic partners of four major global mineral resources giants, including Rio Tinto, BHP Billiton, Anglo-American Resources and Vale.



CASE

First "Double Arrow Cup" International Conveyor Belt Splicing Competition

2018 11 11-14

10

2

From November 11 to 14, 2018, Double Arrow held the first international conveyor belt splicing competition. Ten enterprises including rubber products, iron and steel, coal and electric power were recruited in the competition. With regard to the technology of conveyor belt splicing, two splicing experts from Chile Copper Mine were invited.

The successful holding of this international conveyor belt splicing competition not only plays a positive role in improving staff skills, improving service quality and promoting enterprise development, but also further mobilizes the enthusiasm of learning technology and strong skills among conveyor belt industries, promotes the construction of skilled personnel in conveyor belt industry, and provides a solid talent guarantee for the development of the whole industry.



Innovation

System construction

System construction is a powerful guarantee for promoting innovation. Double Arrow has successively issued the "Double Arrow Intellectual Property Management System", "Double Arrow Patent Management Regulations", "Double Arrow Intellectual Property and Project Application Awards", "Double Arrow R&D Project Management Measures" and "Double Arrow Technology Development" The Funding Measures and other systems have effectively incorporated innovation into R&D, production and operation.



Platform construction



In order to improve the level of technology, research and development and testing, Double Arrow invested more than 80 million yuan to build a 8,000 square meters Double Arrow research institute. The institute has a total of 24.5 million Yuan worth of testing and testing equipment.

- R&D investment**^[3]: In 2018, Double Arrow's R&D investment was 40,437,700 yuan, accounting for 3.21% of the 2018 annual operating income.
- Acceleration of Innovation**: Double Arrow has successively cooperated with Qingdao Institute of Chemical Technology (Qingdao University of Science and Technology), Taiyuan Heavy Machinery Institute, Bando Group, Qingdao and Testing Association of Petroleum and Chemical Industry, Shanghai Institute of Coal Industry, Shanghai Rubber Products Research Institute, Shenyang Research institutes such as the Chemical Research Institute have established cooperative relationships.
- Expert think tank**^[3]: The chief engineers of the five rubber conveyor belt manufacturers have been introduced to the company's technical department, invited former chairman of Shenyang Changqiao and national rubber technology team leader to join the Double Arrow, hired Japanese experts to introduce TPM, signed the Japanese team, the United States Guide experts to provide technical support guidance. By the end of 2018, the company had 4 doctors, professors and other experts, 65 full-time R&D personnel, and 93 undergraduate students, including 1 doctor, 6 masters, 5 senior titles and 12 intermediate titles.

Innovation achievement

2017

Double Arrow takes technology leadership as its development strategy and gradually cultivates its core competitiveness. The company has been recognized as a high-tech enterprise in Zhejiang Province, a corporate technology center in Zhejiang Province, a provincial high-tech enterprise research and development center, and an innovative pilot in Zhejiang Province. Enterprise, provincial-level enterprise research institute, international science and technology cooperation base, Zhejiang Postdoctoral Workstation was established in 2017.

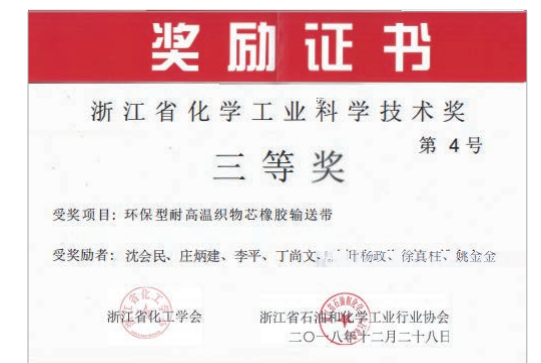


2018

3

6

By the end of 2018, the company's products were included in the provincial new product plan, and the county and city science and technology plans.



Integrity management

Compliance with law

On the basis of strict compliance with national laws and regulations, Double Arrow have formulated a series of management measures and compliance work procedures and management rules to comprehensively improve the ability to govern enterprises according to law. At the same time, we actively carry out law-abiding compliance publicity and education, through the company's online platform, training and other forms, we will promote the law, promote compliance training, and strive to build a compliance culture to ensure the orderly operation of corporate governance compliance.

Anti-corruption

Double Arrow strictly abide by the "Company Law of the People's Republic of China", "Anti-Money Laundering Law of the People's Republic of China" and other laws and regulations on preventing bribery, extortion, fraud and money laundering. We require all levels of personnel to abide by the integrity of the bottom line, receive relevant training and warning education, and guide each The officers at the level are strict with self-cultivation, strict use of rights, and strict self-discipline, and take the initiative to sign the "Sunshine Cooperation Agreement" with suppliers to prevent a series of unfair competitions such as commercial bribery. In recent years, there have been no corruption incidents.

Paying taxes according to the law

AAA	AAA	AAA
3	[1]24634.30	



Double Arrow adhere to the operation principle of integrity, has awarded the "Zhejiang Province Industrial and Commercial Companies AAA CreditUnit" "Jiaxing City Credit Management Demonstration Unit" "AAA Tax Credit Rating Companies" and other honorary titles. In order to further strengthen the tax management level and reduce tax risk, the company continues to pay attention to the updating of tax regulations and policies, and carries out relevant training. Paying taxes according to law is the basic requirement for enterprises to fulfill their social responsibilities and contribute to the community. The total amount of tax^[1] paid in the past 3 years is 231.7469 million yuan.

24634.30
Ten thousand yuan

3 [1]
The total amount of tax^[1] paid in the past 3 years



Move In Time Story

Hot Spot· High Quality Development

General Secretary Xi Jinping pointed out in the report of the 19th National Congress of the Communist Party of China that: " China's economy has moved from a high-speed growth stage to a high-quality development stage, and we must adhere to quality first, give priority to efficiency, take supply-side structural reform as the main line, and improve the quality of the supply system as the main direction," "The core of high-quality development is to maintain moderate growth with quality benefits, the main direction is to improve the quality of the supply system, the power engine is to implement the innovation-driven development strategy."

Launch New Products

2-3

RopeCon®

7

Double Arrow releases a series of new products every 2-3years, which is not only the demonstration of the company's scientific and technological achievements and innovation ability, but also the report to the customers, industry and society. In recent years, Double Arrow has launched 7 new products including ceramic conveyor belts, RopeCon® conveyor belts, aramid pipe conveyor belts, anti-tear steel mesh conveyor belts, impact resistant solid woven conveyor belts, impact resistant conveyor belts, and super abrasion resistant conveyor belts, which furtherly meets customers' requirements for high abrasion resistant, environmental protection and energy-saving, and high temperature resistant conveyor belts; breaks the disadvantages of short life and high energy consumption of traditional conveyor belts, and plays a positive role in saving resources and promoting the sustainable development of social economy.



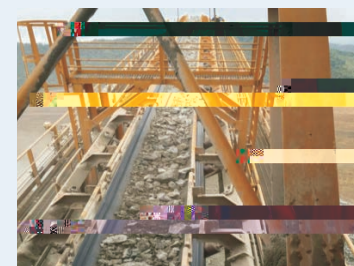
Ceramic Conveyor Belts



RopeCon®
RopeCon® Conveyor Belts



Aramid Pipe Conveyor Belts



Anti-tear Steel Mesh Conveyor Belts



Impact Resistant Solid Woven Conveyor Belts



Impact Resistant Conveyor Belts



Super Abrasion Resistant Conveyor Belts

贰

绿色工厂 Green factory

联合国可持续发展目标
Sustainable development goals



Stakeholder comments

250
20 7 230

At present, the conveying distance of our group is over 250km. The ceramic conveyor belt made by Double Arrow effectively reduces the group's transportation costs, saves maintenance time and solves the problem of production material transportation. Since July last year, Double Arrow and the group have adopted a new mode of cooperation. By using new materials and new products, the replacement cycle of conveyor belt extended to 230 days from the original 20 days, which greatly improved the service life of conveyor belt and saved abnormal downtime.

—A customer representative from a steel plant

70 14

Double Arrow's steel cord conveyor belt has been used since the beginning of the dock construction.14 years have passed, there are still some conveyor belts in normal operation. More than 70 companies under the group have expressed high praise on the product's durability, stability, and the timely and thoughtful service.

—A customer representative from a port

Resource Savings

Energy Saving and Consumption Reduction

Double Arrow actively implement the concept of green development, continue to promote the construction of environmental management system, and is committed to save resources and energy, reduce pollution emissions, maximize the benefits of resource use, minimize environmental impact by advanced management methods and science and technology.



Index

Main Measures	Introduced rubber smoke deodorization equipment in the new mixing workshop.	Introduced rubber smoke deodorization equipment in the new mixing workshop; Introduces sewage treatment equipment in production area; The fumes of the boiler were released after desulfurization and dust removal.	Introduced rubber smoke deodorization equipment in the new mixing workshop; Introduces sewage treatment equipment in production area; Boilers changed to natural gas.
Total energy consumption ^[2] (tons of standard coal/ ten thousand yuan)	0.076	0.070	0.072
Energy consumption of steam output ^[2] (million KJ/ ten thousand yuan)	1.66	1.50	1.33
Energy consumption of electricity output ^[2] (10,000 kWh/ ten thousand yuan)	0.031	0.029	0.026
Energy consumption with tap water output ^[2] (m ³ / ten thousand yuan)	0.4882	0.2241	0.1881

Recycling

Double Arrow actively responds to the waste classification and recycling requirements, sets out the implementation plan, to create a beautiful and harmonious working and living environment.

01 Conveyor belt

For belt hasn't lost its use value, sold to companies or individuals in need; for belt lost its use value, waste disposed.

02 Edge rubber

Used as strap.

03 Steel cord

Classified, re-used, re-developed. Used in fastening belt when loading.

04 Fabric

For good-quality canvas, made into recyclable canvas; for canvas lost its value, sold to the waste recycling company after disposing.

05 Packing bag

Used as garbage bags.

Green Office

2018 [2] 20.27%

Double Arrow pays great attention to plant greening, not only arranges full-time staff in charge of plant greening construction, but also signed a contract for greening conservation with "Tongxiang Huasen Miaomu professional cooperative". By the end of 2018, the company's greening coverage rate^[2] was 20.27% (local seedlings).



The company adheres to the concept of green office, low-carbon life, and saving electricity and water from the daily life, advocating all staff to transfer the low-carbon environmental protection concept into action.

- **Strengthen Energy-saving Management of Electrical Equipment**

Use air conditioner reasonably, use natural light in offices as possible, reduce the standby energy consumption of computer and other equipment, and promote to take the stairs instead of elevator in three stories.

- **Strengthen the management on office supplies**

Promote to use electronic document use, double-sided printing, paperless office, and reduce paper consumption.

- **Encourage green travel**

Encourage employees to use public transport, promote cycling or walking in short distance travel, and develop energy-efficient driving habits.

- **Advocate for a low-carbon life**

Actively promote to avoid excessive packaging of goods, restrict the use of disposable products.



Green Manufacturing

Eco-design

2016
2017

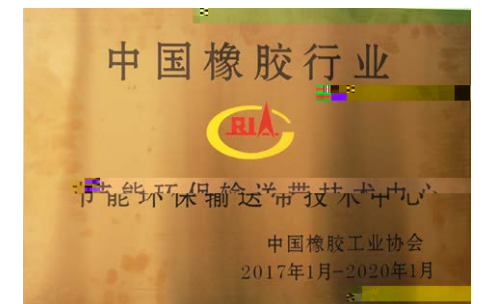


Double Arrow sets out and implements the "Design and Development Control Procedures", introduce the concept of ecological design in the product design and development process, including: reduce the types of materials used, reduce the use of hazardous substances, to achieve the replacement of hazardous substances, and extend the service life of products. In 2016, the company was certified as the Double Arrow green conveyor belt and conveying technology international scientific and technological cooperation base. In 2017, it was recognized as China's rubber industry energy-saving environmental protection conveyor belt technology center.

Green Products

1221325 [2]
4226.7 [2]
2018 [2]

Double Arrow focus on using environmental friendly materials. In the past three years, the usage of environmental friendly materials^[2] reached 1221325 kg. At the same time, the CO₂ emissions^[2] of per square meter conveyor belt decreased year by year. By the end of 2018, the length of the environmental friendly conveyor belt^[2] manufactured by the company reached 42.267 million kilometers.



Index			
[2] Usage of Eco-friendly Material ^[2] (kg)	413000	399000	409325
[2] / CO ₂ Emissions of Conveyor Belt ^[2] (ton/ m ²)	0.001146	0.001076	0.001026

Low-carbon Footprint

Every year, Double Arrow commissions a third party to carry out the annual carbon emission verification work of the company.

Emission Type			tCO Emissions
Direct emission ^[2]	Fossil fuel combustion emissions	Raw coal	224.63
		Diesel	23848.65
Indirect emission ^[2]	Outsourced electricity emissions		19285.75
	Outsourced thermal (steam) emissions		43359.03
Total emissions ^[2] tCO ₂			224.63

- ^[2] 2014

70

228

597

CO₂

 - Photovoltaic Power^[2]**

In 2014, Double Arrow implemented the photovoltaic grid-connected power construction project, with an average annual power generation capacity of about 700,000 kWh after operation, saving about 228 tons of standard coal per year and reducing CO₂ emissions by about 597 tons.
 - Using Water-cooled Air conditioner**

The company installed and uses water-cooled air conditioner in shangsheng manufacturing department, rubber mixing center, and vulcanizing production line to reduce CO₂ emissions.

Pollution Prevention

Double Arrow actively carries out pollution prevention and control work, strengthens supervision and detecting to ensure the wastes compliance with the standard discharge, continues to reduce waste pollution to the environment, committed to the waste disposal of harmless, quantitative and resource-based, reduce the carrying capacity of environmental through the application of advanced environmental protection technology, upgrade environmental protection facilities, strengthen operation and maintenance management.

Atmospheric Treatment

2018	PVC	6	VOC	2	VOC
------	-----	---	-----	---	-----

By the end of 2018, the company had installed 6 sets of VOC processing units in the shangsheng workshop, PVC workshop and rubber mixing workshop. The shangsheng workshop adopts low-temperature plasma technology, the PVC workshop adopts electrostatic dust removal, the rubber mixing workshop adopts electrostatic dust removal, bag dust removal and catalytic oxidation. The No. 2 workshop VOC adopts electrostatic dust removal, water film filtration and catalytic oxidation. Tested by third party for exhaust gas emission, all of them comply with national standards.

Wastewater Treatment

4	1
---	---

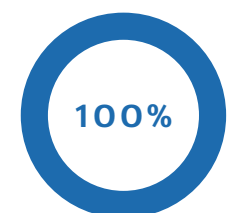
Double Arrow adopts the method of rainwater and sewage flowing separately, and sewage and wastewater flowing together indoors. The company has 4 small recycling water station and 1 main water treatment station to achieve the recycling for all back water of cooling water. The water supply adopts variable frequency constant pressure control. The sewage station is equipped with professionals and sets up a water pollutant monitoring laboratory.



Solid Waste Disposal

100%

Double Arrow owns two general solid waste warehouses and one hazardous waste warehouse. The household waste is regularly cleaned by municipal waste disposal agencies after classified and collected, while the hazardous waste is disposed safely by qualified third party (Jiaying Solid Waste Disposal Co., Ltd.).The solid waste collection and disposal rate is 100%.



The solid waste collection and disposal rate

Green Factory Story

Hot Spot· Green Development

The Fifth Plenary Session of the 18th Central Committee creatively put forward the concept of green development, and takes it together with innovation, coordination, opening up and shared development as the five new development concepts to guide China's economic and social development in the future. The Plenary Session proposed that, in order to adhere to green development, we must adhere to the basic national policy of conserving resources and protecting the environment, adhere to sustainable development, firmly follow the civilized development path of production development, affluent life and a sound ecological environment, accelerate the construction of a resource-saving and environment-friendly society, form a new pattern of harmonious development and modernization between man and nature, and promote the construction of a beautiful China, make a new contribution to global ecological security.

New Air-supported Conveyor Belts

15%

840

10%

Compared with ordinary conveyor belts, the new air-supported conveyor belts have the advantages of low energy consumption, light weight, long service life and low maintenance cost. After optimizing the formula design, the use of carbon black in raw material is reduced by 15%, and the annual consumption of carbon black is about 840 tons. By optimizing the molding process, the utilization of canvas is greatly improved for saving 10% of canvas usage.



15%

The use of carbon black in raw material is reduced



10%

Save canvas usage

Typical Green Products

Energy-saving Aramid Pipe Conveyor Belts

15% - 25%



15% - 25%

The conveying electric energy will be reduced

The energy-saving aramid pipe conveyor belts independently researched and developed by the company adopts enclosed tubing material conveying which will both protect the environment and material. The conveyor line is available to be arranged in curve to bypass obstacle or climb across slope. Using energy-saving rubber compound as cover rubber, the conveying electric energy will be reduced by 15%-25%. It conforms to national industrial policy and is an energy-saving and environmentally-friendly encouraged product. It is widely used in ports, electric power, steel plant, coal mines, etc. which is suitable for long distance and high speed, heavy load of enclosed materials conveying.



Stakeholder comments



--

The content of Double Arrow's annual report is detailed, in which important information can be easily found. Double Arrow has good service attitude. We got warm reception and all of our questions were answered. I hope that the Double Arrow assets will be preserved and value-added. This is the best feedback and motivation for our investors. We will continue to pay attention to and be optimistic about this stock.

—Shareholder

E 201 E 203

--

The special-shaped cross-section conveyor belts that our company cooperated with Double Arrow were used on the E201 and E203 belts of the ironworks, and they are in good operation from the overall situation. Double Arrow's products are worth to be trusted and selected.

— Ningbo Steel Co.; Ltd.

Serve Shareholders

Standard Management

			2018
2	12	6	
22	5	14	

Double Arrow has established the general meeting of shareholders, Board of Directors, Board of Supervisors and Managers. Four committees- the Remuneration and Appraisal Committee, the Strategy Committee, the Audit Committee and the Nomination Committee, have been set up under the Board of Directors. The company has established the independent director system. In 2018, the company held 2 general meetings of shareholders, in which reviewed 12 proposals; 6 meetings of the board of directors, in which reviewed 22 proposals; 5 meetings of the board of supervisors, in which reviewed 14 proposals.

2018

2 General meetings of shareholders

6 Meetings of the board of directors

5 Meetings of the board of supervisors



Information Disclosure

Double Arrow Share fulfills obligation of Information Disclosure for listed company. Board of Directors assign Secretary of the Board to take charge jobs of information disclosure, reception of shareholders and consultation work. Registered in Information platform such as Securities Times, China Securities Journal, Shanghai Securities Journal and Cninfo network, Double Arrow discloses relevant information veritably, accurately and timely, and the company will continuously improve quality of information disclosure.

	2018	4
	66	

66

2018
In 2018, disclosed interim reports

Double Arrow expresses essential information to investors timely, formally and effectively. In 2018, the company completed 4 information compilation and transmission and disclosed 66 interim reports without amendment due to inaccurate or incomplete contents.

Risk Prevention



In strict accordance with National Corporation Law, Securities Law as well as some normative documents about listed company governance issued by China Securities Regulatory Commission(CSRC), Double Arrow company persistently improves comprehensive risk management system, further strengthens top-level design for risk management, and combines risk management with enterprise development strategy to optimize management process and to ensure risk management throughout overall process of enterprise management.

Passion for Customer

Quality Control

ISO 9001
2014
2018 99.98%

For the production management, Double Arrow company sets up and operates effectively the ISO9001 Quality Management System. From selection and management of raw material supplier, procurement and inspection of raw material, control of production process, and quality control, storage and transportation of production to product delivery and after-sales service, the company makes control system for overall process to provide high-quality and safety production service. Since 2014, we have edited and issued enterprise quality integrity report every year. In 2018, product pass rate arrives 99.98%.



Customer Satisfaction

Double Arrow Strengths management for pre-sales, on-purchase and after-sales services. Through unscheduled interview, experience sharing meeting and customer appreciation meeting, the company presents new products information and industry information to customers, and offers on-sites question-and-answer consultation. With the guiding thought of highlighting main products, developing superior products and improving specific products, the company enjoys great reputation in conveyor belting industry.

4007339999 2018 38 100%
86.60%

The company sets up after-sales service department and opens customer consultation and complaints free hotline 4007339999. In 2018, complaint resolution rate was 100%, with 38 complaint cases. Customer satisfaction rate arrived 88.60%.



Work Together with Partners

Strategic Cooperation

Double Arrow company establishes strategic cooperation with essential suppliers, builds long-term cooperation relationship with general suppliers and offers support about funds, technology and management for various suppliers to ensure the sustainable development. The company holds annual supplier meeting per year to appraise and elect outstanding suppliers.



Strict Procurement

Procurement management

Double Arrow values management for suppliers. The company establishes complete management system, optimize evaluation mechanism and strengthens assessment to help suppliers improve insufficient in production process and to improve the development of suppliers.

Sunlight Procurement

100%

In accordance with procurement principles of fair, equity and open, the company makes faithful procurement and timely payment to fulfill earnestly business contract, with 100% contract fulfilment rate.

Take the lead to perform duty

To show concern toward social responsibility of suppliers, the company aperiodically conducts examination and field visit to suppliers, and brings this into assessment targets quality assurance department. Meanwhile, the company invites suppliers across the country to visit sites, have conversation about relevant national policy, market situation about raw materials, exploitation of environmental protection materials, technology improvement, integrity management and performance of social duty as well as urging business activities from suppliers to meet responsibility according to standard demands of quality, environment and social duty.

Respect of Property

Standard work

31

GB/T 5753-2013 GB/T 9770-2013 GB/T 5752-2013

Double Arrow pays high attention to standardization and actively participates in drafting and formulation of National Standard, industrial standard and local standard. The company has been main drafting unit of international, national and industrial standards of conveyor belt. The company has participated in drafting and issuing 31 standards such as GB/T 5753-2013 GB/T 9770-2013 GB/T 5752-2013 and etc.

Patent Protection

2010
" " 2014
" " 2018
99

The company always attaches importance to patented technology. Since 2010, the company has been awarded as Jiaying patent demonstration enterprise per year. In 2014, the company was awarded ZrpJ aas has Z Y prise per In J a J
ed" e hi[att[st!

Trademark Protection

" " 2018 44
4

Stakeholder comments

肆

致力和谐

Committed to harmony

联合国可持续发展目标
Sustainable development goals



— —

The atmosphere in company is excellent. Staffs are very nice. This helps me integrate into the work easily. Company provides dormitory for us with air-condition, television, kitchen and other facilities. It is very convenient. Meanwhile, company provides great platform in job welfare. I promotes to a section chief from a section member. I am willing to be here to realize my values.

— — Technical centre Hongming Feng

16:30

— —

Double Arrow tackles the problem of employment of the labor force. Meanwhile, combining with local schedule, the company sets the off-work time as 16:30. Thus workers can do farm work after work. For the production environment, the company makes efforts to environmental governance. The villagers are delighted in talking about the surrounding environment.

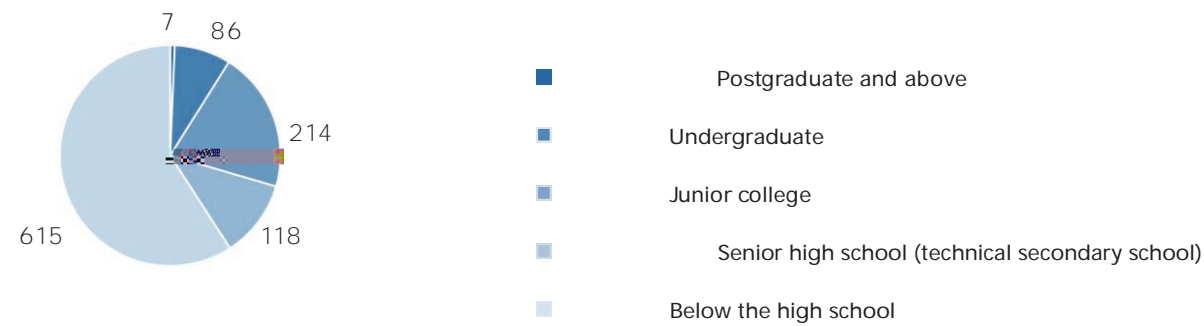
— — Zhouquan community

People foremost

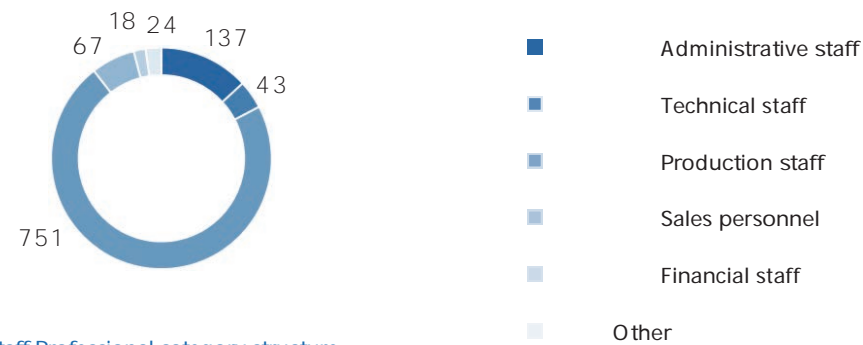
Staff team

2018 1040

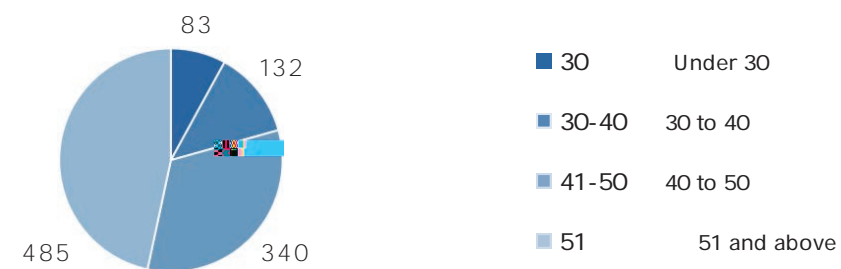
Up to the end of 2018, On-the-job employees⁽²⁾ in Double Arrow is 1040 people.



Staff educational background structure



Staff Professional category structure



Staff Age structure

Rights protection

Basic rights and interests

100%



Stick to laws and regulations, Double Arrow rate of signed contracts and social insurance participation both arrive 100%. Answering to international labour convention, the company secures equal employment, respects human rights, guarantees personal information and privacy, forbids forced labour, and fully respects individual differences of nationality, race, gender, religious faith and etc.

Distribution Reform

Double Arrow establishes salary system, in which grades are decided by posts, salaries are determined by grades, and salaries are closely connected to post value, employee performance and employee competence. Meanwhile, the company sets up appointment system and incentive mechanism. With this system, employees can prompt position by their performance and salary is linked up with work performance. It can give full play to subjective initiative and positivity for employees.

Index	2016	2017	2018
Per capita revenue ⁽¹⁾ (yuan/per)	776208.45	982621.16	1178942.38
Per capita profit ⁽¹⁾ (yuan/per)	37092.30	107982.83	162486.76
Per total wages ⁽¹⁾ (yuan/per)	87841.91	83153.34	86821.95
Per total wages ⁽¹⁾ (yuan/per)	61206.34	56539.69	83632.01

Note: In 2016, the company average wage is taking subsidiary corporation--Beijing Yueji into account. Beijing Yueji company owns staffs over 200, and staffs enjoy Beijing salary treatment. In 2017, the sale of Beijing Yueji leads to the decline of average wage.

Staff development

Business development in outstanding enterprises is always along with staff development. Double Arrow sets up three development career development channels of management, technology and skill technique. Staffs can select suitable channels according to their own situations.

2018	[2]25.7	[2]12843	[2]100%
------	---------	----------	---------

The company edits and carries out 13th Five-year HRD plan. Combined with the planning, the company implements various activities like brainstorm, sand table simulation, distance teaching, coalition of college and enterprise, Directional sponsored, Staff self-study and Y System knowledge sharing platform. Meanwhile, the company provides training opportunities like continuing education at public expense. In 2018, the company training cost^[2] is 257,000 yuan, with training number^[2] of 12843. The training coverage^[2] arrives at 100%.

Staff Care

2012	[2]63	[2]75600	2016-2018
------	-------	----------	-----------

In 2012, the company party committee set up party member care foundation. In 2015, employees fraternity has been founded. It is aimed to offer supports when staffs encounter temporary particular difficulties like significant diseases, disability or unexpected incidents. During 2016-2018, the company has sent condolences to 63 difficult homes^[2], and sent consolation money^[2] of 75600 yuan.



Abundant Life

Through ways of corporate brochure, employee handbook, corporate newspaper and bulletin board, the company positively propagates culture ideas and enterprise spirits. Meanwhile, the company carries out various recreational and sports activities such as staff sports meeting, The Spring Festival gala, skills competition, speech contest and sightseeing tour to enrich working and sparetime life, structure harmonious working environment, motivate staffs' compassion, enthusiasm and creativity, and to promote company development. The company has been awarded several honorary titles like the advanced unit in harmonious labor relation and The construction of the base of standard system for talent evaluation in Zhejiang enterprises.

Satisfaction survey

Indicator			
[2] % separation rate ^[2] (%)	6.80	6.83	7.88
[2] co3 n	77.68	85.91	86.58

Democratic management

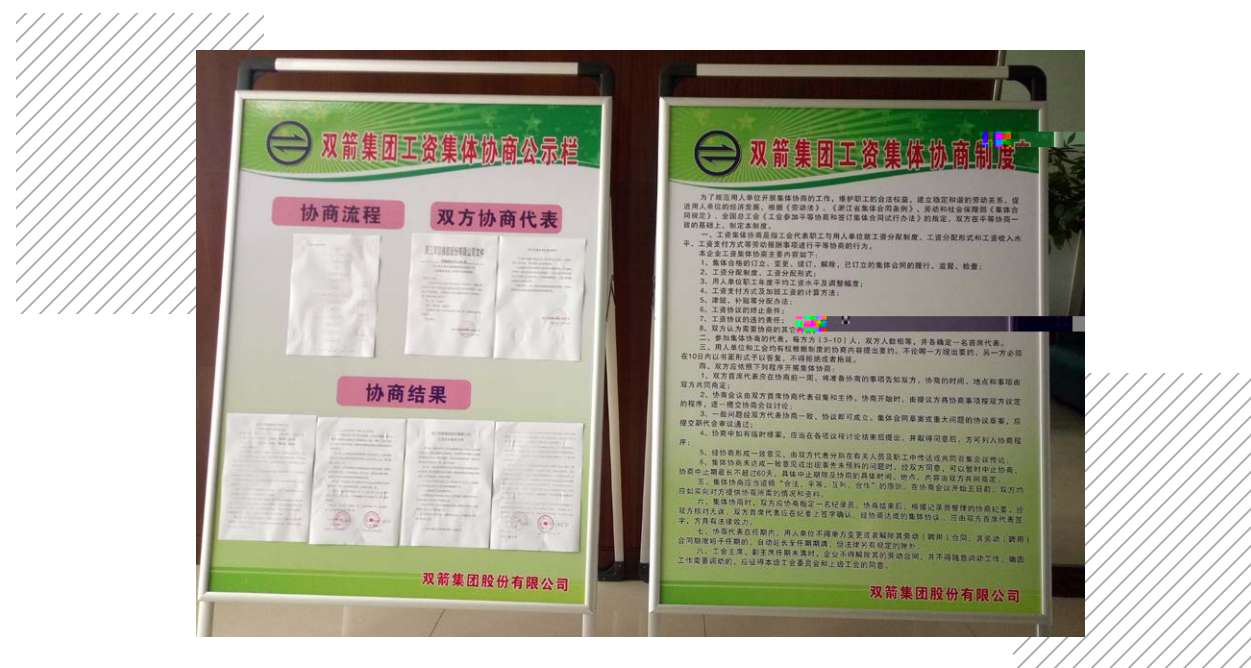
Double Arrow Rubber Co., Ltd. fully guarantees rights employees to know, express and participate in decision-making, and pays attention to the roles of employees in the democratic management of enterprises, and hold a workers congress every year.



2016-2018 11 4136 263 235

The company continuously innovates the employee communication platform, and establishes a smooth channel for employees to propose reasonable suggestions, reflect problems and complaints. In 2016-2018, 11 forums were organized, with more than 4,136 participants, and 263 suggestions and opinions were heard. Of which, 235 were issues were properly resolved and the rest were improved to varying degrees.

Index			
[2] Staff meeting organized ^[2] (times)	3	4	4
[2] Suggestions and opinions taken ^[2] (pieces)	71	78	86



CASE

Employee representative suggestions for improvement

2018 7 26
2
1
2
2

On July 26, 2018, the company held a management review and semi-annual summary meeting. Tang Jianliang and Zhong Jiansong attended the meeting as employee representatives. At the meeting, the employee representatives proposed two suggestions for improvement:

The company distributes the same amount of work clothes to everyone, but the work clothes of the workshop staff wear out a lot, while the administrative members can hardly wear out the clothes. Furthermore, the workshop members want to take new workshop clothes but cannot find the duty department;

2 Employees suggest to add vending machines in the workshop to meet their needs in daily work and life.

The senior leaderships of the company immediately assigned the problems to the responsible departments after the improvement projects were proposed by employee representative, and the responsible department also issued rectification measures and completion time. The two improvement suggestions were completely rectified in the same year.



Safety production

Safety management

2017

6S

KYT

Safety Investment

[2]243.93

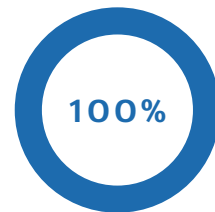
2018

Double Arrow signs safety responsibility agreement to organizations level by level every year to realize the safety agreement. The agreement is signed by the safety manager and the safety manager of the organization. The agreement is signed by the safety manager and the safety manager of the organization. The agreement is signed by the safety manager and the safety manager of the organization.

Safety training

100%

2018



The coverage of safety training

The company establishes a complete safety training program, developing safety training courses, conducting safety training for employees and other stakeholders, and is committed to improving the safety production awareness of stakeholders. In 2018, the coverage of safety training was 100%.

CASE

Conducting full-person safety training to improve the safety of all employees

2018 6 7 -8
3 1037



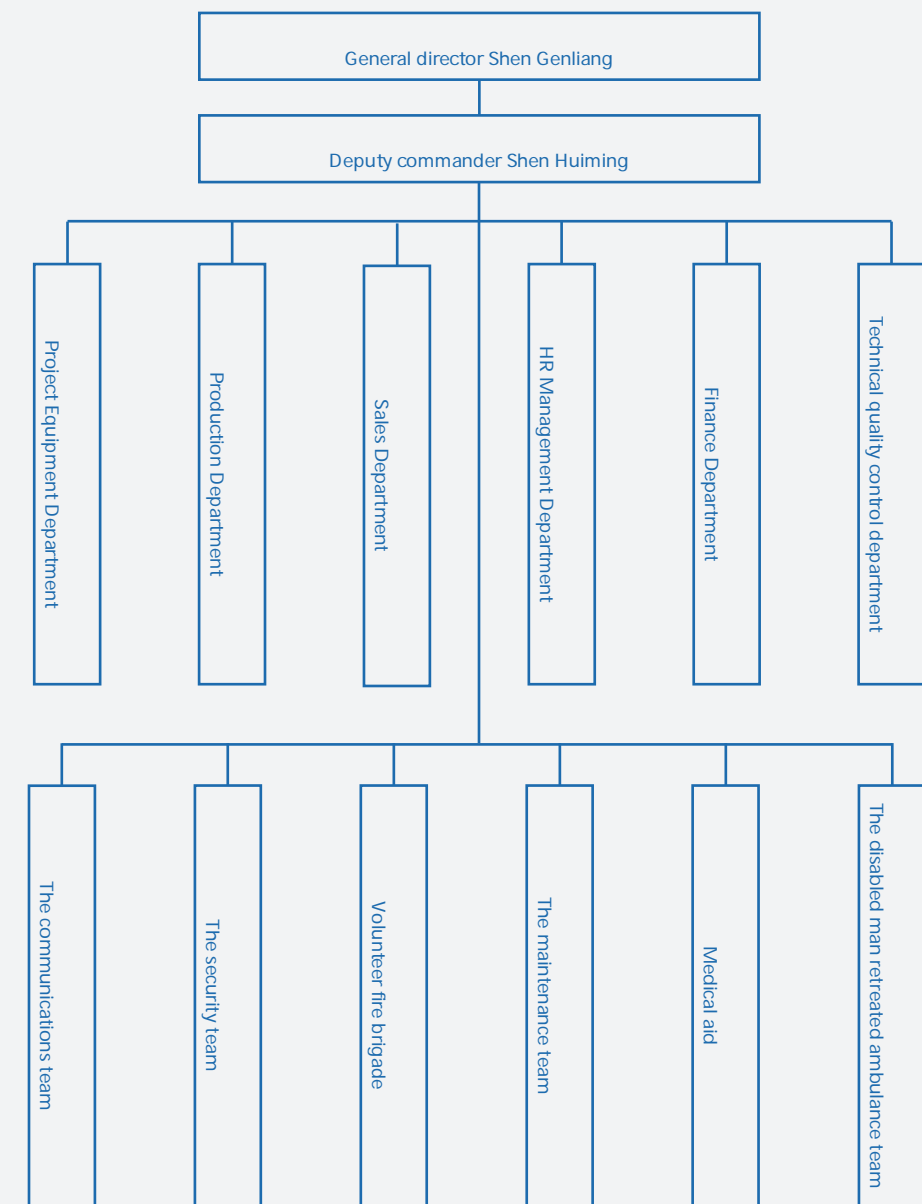
In order to further improve the company's safety production management level, enhance employees' safety production responsibility and prevention awareness, prevent the occurrence of safety accidents, and achieve full coverage of safety education and training, the company organized three sessions safety production education and training activities on June 7-8, 2018. 1,037 persons. The training was personally taught by the general manager of the company. The training 5 included the analysis of the annual work-related accidents, the urgency of safety management, the company's focus on safety management, and the participation of all members in the same-frequency resonance.

Emergency mechanism

2018

2

Double Arrow Rubber Co., Ltd. continues to promote the construction of emergency response systems, improve the preparation and revision of emergency plans, conduct regular drills and trainings on various plans, and improve the emergency rescue level of rescue teams. In 2018, the company carried out two large-scale fire-fighting safety emergency drills throughout the factory.



CASE

Safety knowledge is tight and unremitting

2018 12 17



In order to ensure everyone to better understand and master fire safety knowledge, verify the function of the company's fire protection facilities, and enhance the staffs' ability to respond, speed to response and self-protection in emergency circumstances, the company organized a winter fire-fighting and emergency evacuation drills on December 17, 2018, among which we also invited the stationmaster of the fire station of Zhouquan Town and the officers and soldiers of the fire brigade to a conduct face-to-face training for the staff.



Occupational health

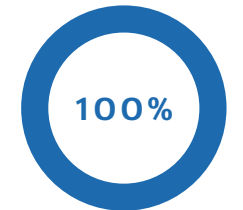
Double Arrow Rubber Co., Ltd. adhere to the relevant laws, regulations and technical standards such as the National Labor Law, the Occupational Disease Prevention and Control Law, adhere to the principle of "prevention first, prevention and treatment combination", carry out occupational health management work in a solid manner, and continue to carry out all-people health activities.

319

2018

100%

The company regularly conducts occupational health and harmful factors assessment of workplaces for occupational hazards such as dust, noise, sulfur dioxide, hydrogen sulfide and high temperature. The occupational health checkup of employees in occupational hazard positions is carried out every year, and the employee occupational health files are established and improved. In 2018, the number of occupational health examinations^[2] of the company reached 319, and the occupational health examination rate reached 100%.



The occupational health examination rate



Community building

Helping the disabled and difficult

2 " " 159 2018
25000 1800

Double Arrow shares is the second listed company in the nation's welfare enterprises, and currently employs^[2] 154 disabled employees who meet the " four disabilities" conditions. In 2018, the company not only guarantees that the average annual income of disabled persons will reach 25,000 yuan or more (the national minimum is 1,800 yuan per person per month), paying various social insurance fees for them, and also helping each other through mutual assistance, condolences and visits. We help them establish a positive attitude towards life and create an atmosphere of love, care and enthusiasm.

120 2010
1000 " "

In addition, the company also actively participated in various charities through the Tongxiang Federation of Industry and Charity Association. In 2010, on the basis of the original 1.2 million yuan titled fund, we signed an agreement with the Tongxiang Charity Association to increase 10,000,000 yuan "double arrow" titled fund, helping the poor and the difficult ,which has achieved a good social reputation.

" "

The chairman of the company was also awarded the name of " Jiaxing Outstanding Entrepreneur Social Responsibility"

Education Investment

180 2018 36 20

Volunteer Service

2018 "

Committed To Harmony Story

Hot Spot·Social security

"Social security" has always been a topic of concern. In the report of the 19th National Congress of the Communist Party of China, General Secretary Xi Jinping pointed out that safeguarding and improving people's livelihood must be settled through "educating the child, learning to teach, earning the income, treating the sick, caring the old, living in the house, helping the weak." We will continue to make new progress in support and set the tone for the reform of the social security system. With stepping into the new normal of the economy, especially the accelerated aging of the population, currently there are problems in the development of China's old-age service industry, such as "lack of old-age service facilities" and "high cost and low quality of old-age service institutions".



8000

20000

500



The chairman of the company condolences to the old people in Zhouquan Town

In order to give better care for the elderly, Double Arrow Rubber Co., Ltd. took the lead in private enterprises in the city to invest 80 million yuan to set up a pension service institution integrating life care, leisure health, culture and entertainment - Tongxiang HeJi Nursing Home Co., Ltd. The total construction area of the nursing home is 20,000 square meters with 500 design bed. The chess room, reading room, emotional exchange room, rehabilitation room, game room, calligraphy and painting room, manual room, billiard room, etc. are all available. Each room is equipped with independent bathroom, telephone, TV, refrigerator, central air conditioning, hot water system, call system, central oxygen supply system and other facilities.

Double Arrow Rubber Co., Ltd took the initiative to bear the daily expenses of nursing home in Zhouquan Town, Tongxiang, and paid for the daily living expenses and medical expenses of the old people, so that the old people could rest their old life and settle down in their old age.

Future prospects





Social performance			
^[1] Number of employees ^[1] (person)	1381	1158	1152
^[1] % Labor contract signing rate ^[1] (%)	100	100	100
^[1] Number of labor contract signed without fixed term ^[1] (person)	252	233	195
^[2] Number of disabled employees ^[2] (person)	168	154	159
^[1] / Per total wages ^[1] (yuan/per)	87841.91	83153.34	86821.95
^[2] % separation rate ^[2] %	6.80	6.83	7.88
^[1] / Safety production drill frequency ^[1] (times / year)	2	2	2
^[1] % Correction completion rate ^[1] %	100	100	100
^[1] % Special operator's certificate-taking rate ^[1] (%)	100	100	100
^[1] % Work injury rate ^[1] %	0.10	0.14	0.08
^[1] Number of employees injured ^[1] (person)	14	18	8
^[1] General accidents ^[1]	14	18	8
^[1] Big accidents ^[1]	0	0	0
^[1] Large accidents ^[1]	0	0	0
^[1] Heavy accidents ^[1]	0	0	0

In the future, we will continue to focus on the theme of " development" , further explore and innovate, forge ahead, and march forward on the new development starting point. We will use the capital market service platform, operate with integrity, standardize operations, oriente people, integrate social responsibility into the development strategy of the company, strive to fulfill social responsibilities, and reward all stakeholders with better performance.

Social responsibility is the eternal responsibility of the enterprise. In the process of taking responsibility, it is necessary to continuously improve its own realm, broaden its thinking, and make progress pragmatically. The future is still a long way to go, and we will continue to do our best to promote the company to fulfill its social responsibilities better!



Indicator index

Report directory		GB/T 36002-2015	Location	SDGs
Report specification		/	P02-03	/
Executive speech		/	P06-07	/
About us		Z-1 R-2 G-1	P08-11	/
Responsibility management		Z-1	P12-17	/
Move in time	Competitive advantages	G-2	P20-22	
	Self-innovation	G-4	P23-25	
	Integrity management	G-1 X-1	P26-27	
	Hot spot • High quality development	G-4	P28-29	
Green factory	Save resources	H-2	P31-34	
	Green manufacturing	H-3 H-4	P35-36	
	Pollution Prevention	H-1	P36-37	
	Hot spot • Green development	H-2 H-3 H-4	P38-39	
Create value together	Service shareholder	S-5	P42-43	
	Affectionate customer	X-2 X-3 X-4	P44	
	Working together	G-3	P45-47	
	Hot spot • Belt and Road	G-3	P48-49	
Committed to harmony	People oriented	R-1 R-2 R-3 L-1 L-3 L-5	P52-57	
	Safe Production	L-2 L-4	P58-63	
	Community building	S-1 S-2 S-7	P64-65	
	Hot spot • Social security	S-1 S-2 S-7	P66-67	
Performance indicator		/	P68-70	/
Future prospects		/	P71	/
Indicator index		/	P72-73	/
Feedback		/	P74-75	/

1

2

3

4

5

M